

Message Text

LIMITED OFFICIAL USE

PAGE 01 CAIRO 09614 261649Z

70

ACTION NEA-10

INFO OCT-01 EUR-12 ISO-00 EB-07 TRSE-00 CIEP-01 XMB-02

COME-00 FRB-03 CIAE-00 INR-07 NSAE-00 AGR-05 /048 W

----- 008015

R 261441Z SEP 75

FM AMEMBASSY CAIRO

TO SECSTATE WASHDC 6759

INFO AMEMBASSY BEIRUT

AMEMBASSY LONDON

LIMITED OFFICIAL USE CAIRO 9614

EO 11652: NA

TAGS: USEGJC EFIN

SUBJECT: SHORT TERM BANK LOAN

REF: STATE 220886 (NOTAL)

1. FOREIGN BANKS IN CAIRO ARE AT BEST SECONDARY SOURCE OF INFORMATION ON CURRENT CREDIT STANDING OF GOE, SINCE THEY ARE NEITHER FULLY OPERATIONAL NOR DIRECTLY INVOLVED IN FINANCING ACTIVITIES CARRIED OUT BY HOME OFFICES.

2. INQUIRIES WE HAVE MADE TO CHASE AND FNCB REPS INDICATE THAT THEY HAVE OPION EXPLICIT IN REFTL, AND WHICH WE SHARE, THAT ONE-YEAR LOAN AT FOUR PERCENT ABOVE INTER-BANK RATE IS MARKED IMPROVEMENT OVER TERMS THAT ARE GENERALLY UNDERSTOOD TO HAVE PREVAILED IN RECENT MONTHS. WITHOUT INFORMATION AS TO OTHER DETAILS OF LOAN, I.E. TO WHOM MADE AND WITH WHAT GUARANTEES, WE TEND TO DOUBT THAT CROCKER BANK, ET AL, WOULD FIND IT NECESSARY TO GO THAT FAR BELOW RATES OFFERED BY COMPETITION IN ORDER PLACE FUNDS.

3. BANKS, LIKE ALL OTHER COMMERCIAL OPERATIONS, TEND TO SEEK MAXIMUM POSSIBLE RETURNS, AND THERE IS NO REASON TO OFFER BETTER TERMS THAN OTHERS, UNLESS THERE ARE SOME SPECIAL CONSIDERATIONS OF WHICH WE ARE UNAWARE. IF CROCKER LOAN IS LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 CAIRO 09614 261649Z

PLACED AS STATED, OBVIOUS CONCLUSION IS THAT GOE'S CREDIT RATING

HAS INDEED IMPROVED, SINCE HIGH INTEREST RATES THAT HAVE BEEN
CHARGED IN PAST REFLECT, AMONG OTHER THINGS, AS EVALUATION OF
RISK FACTORS.

4. EMBASSY WILL APPRECIATE ANY FURTHER INFORMATION DEPT
OBTAINS ON THIS SIGNIFICANT DEVELOPMENT.
EILTS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CREDIT, BANK LOANS
Control Number: n/a
Copy: SINGLE
Draft Date: 26 SEP 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ShawDG
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975CAIRO09614
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750335-0520
From: CAIRO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750911/aaaaajua.tel
Line Count: 68
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NEA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 STATE 220886
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 30 JUN 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <30 JUN 2003 by BoyleJA>; APPROVED <05 NOV 2003 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SHORT TERM BANK LOAN
TAGS: EFIN, USEGJC
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006